Number: VI-15 Effective Date: 07/00

SUBJECT: TEMPORARY/SEASONAL EMPLOYEE BENEFITS

PURPOSE:

To define the City of Riverside's benefits for temporary/seasonal employees for uniformity of interpretation and application.

POLICY:

Temporary/seasonal employees may be eligible for deferred compensation and/or California Public Employees Retirement System (CalPERS) coverage. This does not apply to temporary employees hired through a contract agency.

1. **Deferred Compensation**

   Enrollment in deferred compensation for temporary/seasonal employees is automatic and mandatory under Federal law unless/until the employee becomes vested in CalPERS. To be vested, members must have 5 years of service with CalPERS and have funds still in the system.

   This temporary plan is in lieu of Social Security. The City matches the required employee contribution of 3.75%.

   Temporary employees may contribute an additional voluntary amount. The City does not match this. As per Section 457 of the IRS Code, maximum annual contributions, mandatory and voluntary combined, are limited to 25% of base salary or a flat dollar amount defined by the IRS, whichever is less. [See Policy VI-13 for additional information.]

2. **CalPERS**

   Enrollment in CalPERS is mandatory for temporary employees if either of the following criterion are met:

   A. The temporary employee is a CalPERS member through another employer.

   B. The individual is a temporary employee who reaches 1,000 hours in a fiscal year, including overtime, or if the expectation at appointment is that the employee will reach 1,000 hours in the fiscal year. It is the Department's responsibility to track hours worked and to submit a Personnel Action Form (P-2) to Human Resources to enroll the employee in CalPERS. [See Policy VI-14 for additional information.]

3. **Withdrawal of Contributions**

   A. The temporary Deferred Compensation Plan is subject to the same IRS regulations as the regular Deferred Compensation Plan. Employees may only withdraw funds in the event of separation or death.

   B. Employees covered under CalPERS would be able to withdraw their portion of the contributions only upon non-retirement separation. Such withdrawals may be bought back at a later time if the individual becomes employed by another CalPERS covered agency. This "Service Credit Buy-Back" provision is administered by CalPERS and is subject to State regulations.

PROCEDURE:

Responsibility		Action
Employee	1.	Notifies Human Resources if he/she is a member of CalPERS through another employer.
Human Resources	2.	Enrolls new hires in the temporary Deferred Compensation Account.
	3.	Enrolls new hires in CalPERS if any qualifications under Section 2 of this policy are met.
Department	4.	Monitors hours worked by temporary employees and submits a P2 to enroll in CalPERS as required under Section 2 of this policy.
Human Resources	5.	Notifies CalPERS in case of separation.

Disclaimer: This policy is for internal processes only. Should a discrepancy exist between this document and Federal or State Law, the Federal or State Law will prevail.